CYANAMID

Annual Report 1966

American Cyanamid Company

American Cyanamid Company

Report of the Board of Directors
for the Year Ended December 31, 1966

TABLE OF CONTENTS

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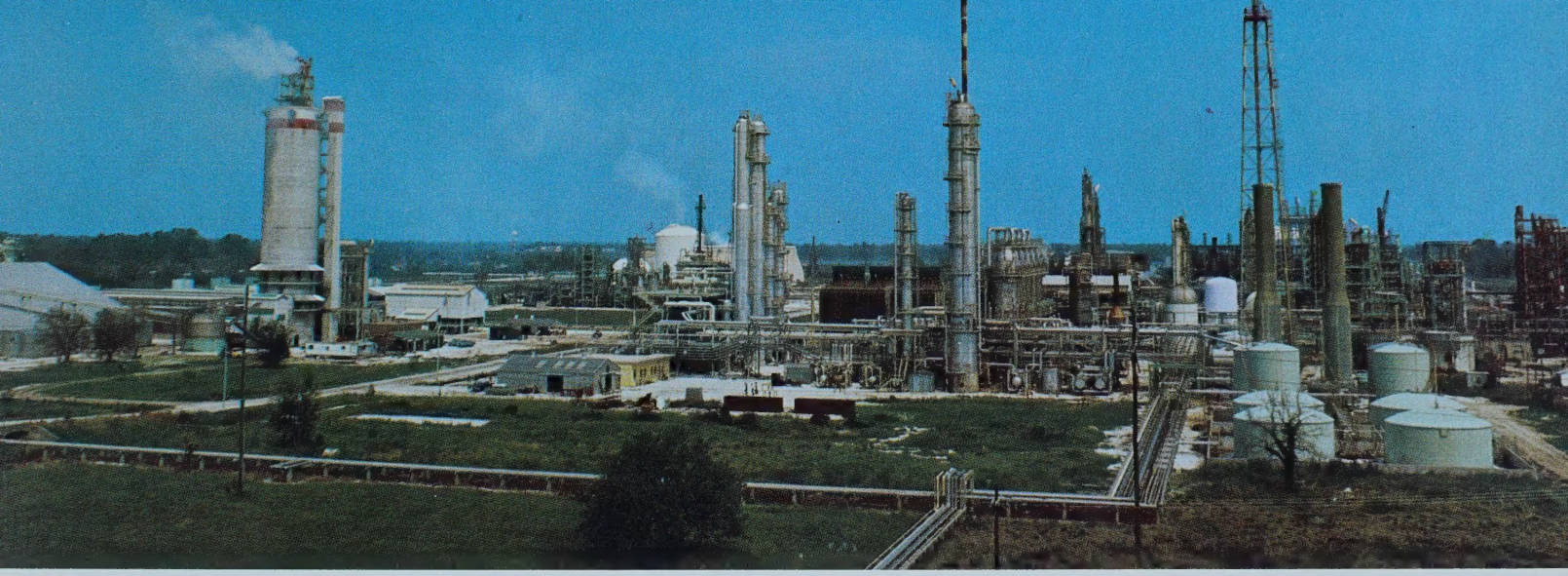
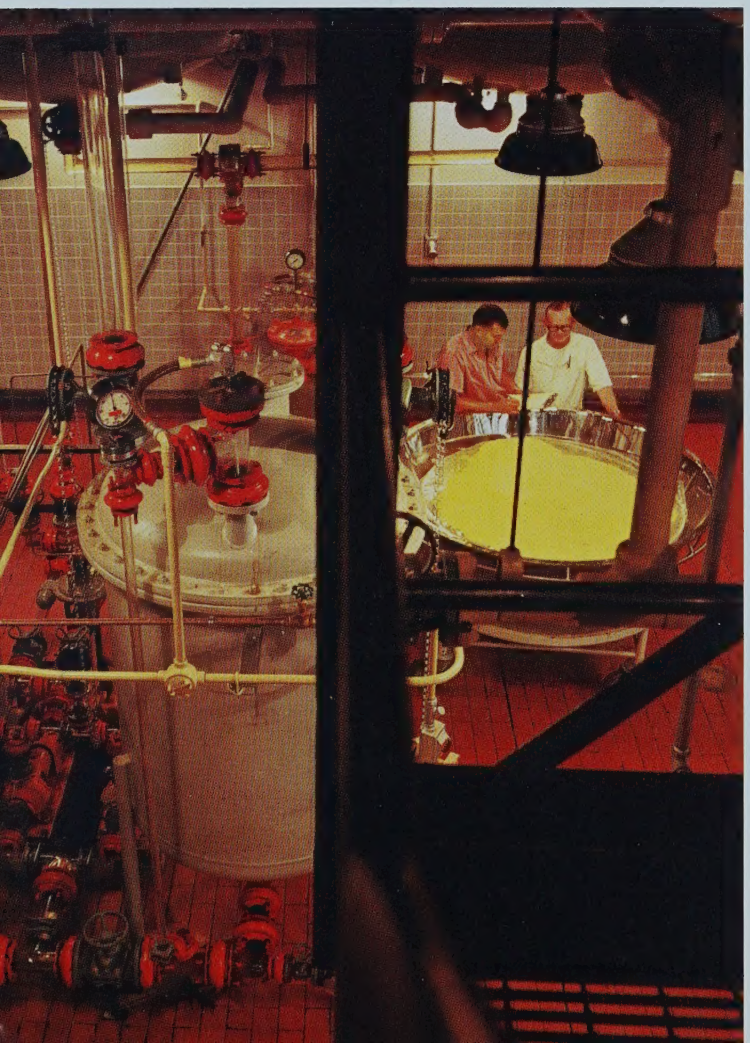


Chemicals: Urea unit, left, and acrylonitrile facility, center, began producing during 1966 at the Fortier plant site in Louisiana.

Cyanamid operates in four market areas: chemical, medical, agricultural, building and consumer. In 1966, new and improved products were marketed and the company's high level of capital expansion continued, both here and abroad.

Medical: New facility at Lederle Laboratories, Pearl River, New York, consolidates finishing operations for its antibiotics.



Agricultural: Sales of fertilizers and other products increased through expanded network of Cyanamid Farm Supply Centers.

Consumer: Supermarket and other promotions helped improve market position for growing line of BRECK® hair care products.

To Shareholders:

Company sales were at a new peak in 1966, but earnings for the year were only slightly better than the record high reached in 1965.

Earnings were $94.4 million, or $2.13 per share, compared to $93.1 million, or $2.11 per share in 1965, adjusted for the two-for-one stock split in April, 1966. Sales were $953 million compared to $863 million for the previous year, an increase of approximately 10 per cent.

Cyanamid's worldwide sales for 1966 were higher than in 1965 for each of the company's market areas—chemical, medical, agricultural, building and consumer—despite the increase of competitive pressures in the latter part of the year. Agricultural sales were particularly strong, showing an increase of 18 per cent compared to 1965. Building and consumer product sales were 15 per cent higher than for 1965, with notable progress being made in the sale of BRECK® hair preparations. Worldwide chemical sales continued their steady growth with an increase of approximately 11 per cent. Although total medical sales were slightly higher than in 1965, sales of broad-spectrum antibiotics were down because of worldwide price reductions and lower volume in the United States.

Performance during the first six months of 1966 in both earnings and sales was excellent, but several factors had a cumulative adverse effect on profits during the last half of the year. Earnings were depressed by heavy start-up costs related to our major capital projects and by rising costs for salaries, wages and materials. In addition, selling prices were lower and sales volume was reduced in some of our more important product areas.

The delays we encountered in the completion and start-up of several major new facilities were costly, and some of our start-up problems will continue into 1967. The normal difficulty of getting large and complex new facilities into operation was complicated by the nationwide shortages in manpower and delays in delivery of equipment resulting from the extremely high level of industrial construction. The delays in completing our new facilities made it necessary for us to purchase fin-

American Cyanamid Company and Subsidiaries

Highlights

For the Years Ended December 31, 1966 and 1965

	1966	1965
Sales	$952,575,113	$862,964,625
Earnings before income taxes	159,910,632	162,554,113
Income taxes	65,500,000	69,500,000
Net earnings	94,410,632	93,054,113
Dividends on Common Stock paid in cash	54,955,914	47,164,635
Earnings per share Common Stock *	2.13	2.11
Dividends per share Common Stock *	1.25	1.07½
Depreciation, amortization and depletion	45,479,020	42,628,061
Expenditures for capital additions	108,430,320	129,368,428
Funded debt	110,573,232	102,450,311
Shareholders' equity	638,208,002	596,627,116
Shares outstanding at end of year: Common Stock (excluding treasury shares)*	44,273,516	44,161,378
Number of shareholders	101,778	97,422
Number of employees	36,750	34,066

**Based on the shares outstanding at the end of each year after giving effect to the two-for-one split on April 18, 1966*

ished products on the open market to meet customers' requirements, particularly for agricultural products. We also found it necessary to continue operating some less efficient facilities in order to meet demand.

Cyanamid's construction activity in 1966 was a further step in the major capital expansion program commenced in 1964 and in 1965. Capital expenditures in 1966, primarily for new and enlarged facilities, were approximately $108 million compared to $129 million in 1965. These facilities, most of which were completed in 1966, will provide us with efficient, low-cost productive capacity in important product areas required to meet increasing competition and to sustain the continued growth of Cyanamid both here and abroad.

As we reported to you earlier concerning executive changes, the board of directors in October regretfully accepted the resignation for reasons of health of Wilbur G. Malcolm as chairman of the board and as a director. He served the company with distinction for more than 32 years, as a member of the board for 22 years and as chief executive officer for the last nine years.

Clifford D. Siverd and Ernest G. Hesse, vice presidents, were elected to the board of directors during the year.

Alexander M. White, who has served as a Cyanamid director since 1961, resigned from the board in December for reasons of health. L. Emery Katzenbach was elected a director to fill the vacancy. Both are partners in the investment banking firm of White, Weld & Co.

In closing, we wish to express our sincere appreciation for the continuing dedication and loyalty of our employees throughout the world, and for the support and confidence of our shareholders, customers and suppliers.

For The Board of Directors

John Allegaert
PRESIDENT

Wayne, New Jersey
February 7, 1967

Cyanamid's Management and Finance Committee, left to right: Allan B. Clow and Robert C. Swain, Executive Vice Presidents; John Allegaert, President; Gordon C. Walker, Executive Vice President; Richard S. Kyle, Vice President-General Counsel.

Major New Developments

Chemical– Cyanamid's worldwide chemical sales increased by 11 per cent in 1966, accounting for 35 per cent of total company sales. Each of the four domestic chemical divisions — Industrial Chemicals, Organic Chemicals, Pigments, and Plastics and Resins—had higher sales than in 1965.

A large share of the company's capital outlay in 1966 was devoted to the completion of new and expanded chemical facilities. The additional capacities will help supply chemical products to other company divisions for upgrading, and also will significantly improve our position in meeting customer needs for chemicals.

Manufacturing activity is coordinated in control room at the new UNITANE® titanium dioxide plant in Savannah. The white pigment is used by paint, paper, plastics and other industries.

XT® polymer, a new product of Cyanamid plastics research, was developed for the fabrication of transparent and shatter-resistant containers for packaging foods, drugs and cosmetics.

Much of the company's chemical expansion was centered at the Fortier manufacturing complex near New Orleans, operated by the Industrial Chemicals Division. The new acrylonitrile unit began producing at Fortier in April for both captive and customer needs. The older facility at the same location was phased out of operation in the latter part of the year.

Acrylonitrile is used in the manufacture of acrylic fiber. It also is used as a raw material at the recently enlarged acrylamide facilities at the Warners plant in Linden, New Jersey, and at the new acrylamide and polyacrylamide plant completed in 1966 in The Netherlands. Acrylamide and polyacrylamide are used in industrial processes in the paper, mining and construction industries, as well as in the treatment of industrial and municipal wastes.

Two major new units were in start-up at the end of the year at Fortier for the production of ammonia and urea for agricultural uses. Both have been delayed beyond projected completion dates.

The large ammonia facility, critical to the production of nitrogen-based fertilizers by the Agricultural Division, was in the final stages of start-up in December. It had been scheduled for operation in the second quarter of 1966.

The urea unit, principally for fertilizer and animal feeds, was producing in limited quantities during the latter part of 1966, but necessary changes are delaying full production.

Another expansion project at Fortier has more than doubled capacity for methyl methacrylate monomer, a plastic raw material which is further processed at company plants in New England.

The Plastics and Resins Division plant at Wallingford, Connecticut, uses methyl methacrylate monomer to produce ACRYLITE* molding compounds and the new XT® polymer.

ACRYLITE is used in the manufacture of plastic parts for the automotive, lighting and other industries. Ca-

Newly completed ammonia unit at the Fortier plant will provide raw material for the manufacture of nitrogen-based fertilizers at the Agricultural Division's new plant in Hannibal, Missouri.

At a West Coast aircraft plant, honeycomb core material and structural adhesives, both from Cyanamid, are used in the construction of strong and lightweight body components for planes.

pacity for ACRYLITE was increased in 1966.

XT polymer, the most recent product developed by Cyanamid research in methyl methacrylate plastic, was marketed commercially in 1966. It is blow molded or thermoformed by others into clear and shatter-resistant plastic containers for food, cosmetics and pharmaceuticals. XT polymer has been approved by the Food and Drug Administration for use in packaging edibles.

In another field, the Plastics and Resins Division increased its sales of specialty adhesives and aluminum honeycomb core material for the aircraft and aerospace industries. The lightweight aluminum honeycomb, bonded to surface metals by Cyanamid adhesives, imparts strength to wings, bodies and other sections of modern jet aircraft. It also has found use in spacecraft. Facilities in Maryland for the manufacture of honeycomb core have been expanded and a new core plant is under construction on the West Coast, where the aircraft industry is concentrated.

Sales by the Pigments Division increased in 1966, particularly for UNITANE® titanium dioxide white pigment used by the paint, paper, plastics and other industries. Heavy demands were placed on production from the Savannah, Georgia, and Piney River, Virginia, plants. Additional capacity was delayed by continuing difficulties with the new titanium dioxide chloride-based unit in start-up at Savannah. Limited production was attained during 1966 but necessary plant modifications will delay full operation until well into 1967.

The Organic Chemicals Division continued to increase its sales of intermediates, dyes and textile chemicals in 1966. The market for dyes and textile chemicals is growing, particularly because of their applications in synthetic fibers. Sales of chemicals to the petroleum industry also advanced and were aided by two new facilities in the South for the manufacture of catalysts used in making high octane gasolines. A new type of catalyst for the petroleum industry, known as molecular sieve, was added to the Cyanamid product

*Trademark

line. It helps produce higher gasoline yields.

In 1966, the company made further progress in its continuing efforts to control air and water pollution at its plants. New and costly devices were installed at several locations. As an example, two major air quality control units are nearing completion at the Brewster phosphate plant in Florida to bring fluorine emissions substantially below the levels permitted by state regulations. At other plant locations, improved air and water quality controls have been made part of the original design of the new manufacturing facilities. One such waste treatment project for a new acrylamide facility at Linden, New Jersey, has been cited by state authorities for its efficiency.

Part of Cyanamid's research is being devoted to the development of products which may further serve other industries as well as municipalities in the control of air and water quality.

Medical — Cyanamid's worldwide medical sales, which were slightly higher for 1966 than for 1965, accounted for approximately 23 per cent of Cyanamid's worldwide business compared to 25 per cent in 1965.

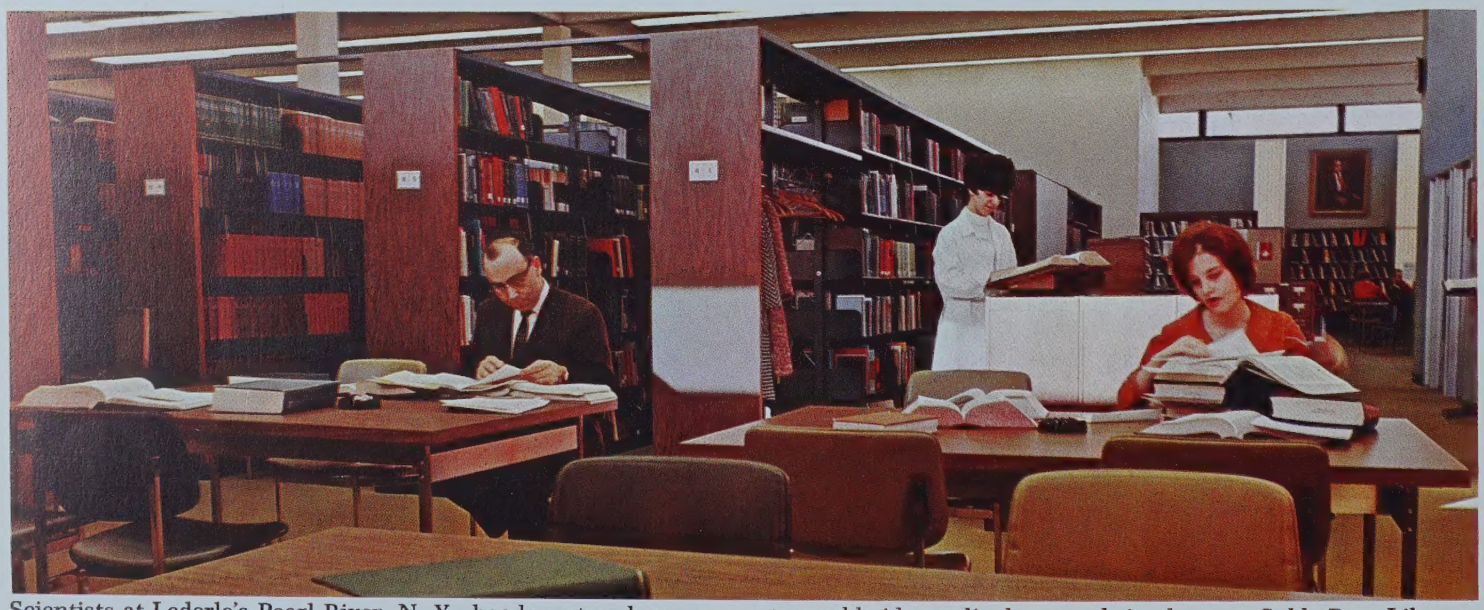
Sales of broad-spectrum antibiotics were adversely affected by reduced selling prices in this country and abroad. Furthermore, the volume of our antibiotics sales in the United States during the last half of 1966 decreased because of the lower incidence of respiratory ailments compared to 1965 and to the initial impact of competitive products introduced in the latter part of the year.

In October, the Food and Drug Administration approved Lederle Laboratories' new non-narcotic injectable analgesic, LEVOPROME® methotrimeprazine. The product, which has powerful pain-relieving capabilities comparable to morphine without any evidence found of addictive properties, was introduced to the medical profession in November. Extensive laboratory and clinical research has shown LEVOPROME to be effective in the relief of persistent pain associated with such chronic diseases as arthritis and cancer. It also can be used as an obstetrical analgesic and as pre- and post-operative medication.

Lederle Laboratories began marketing a live attenuated measles virus vaccine in 1966. It is being used for the immunization of infants, children and susceptible adults. M-VAC® measles vaccine was one of several Lederle products to be marketed in the division's new LEDERJECT® disposable syringe package, which provides a simple, convenient, sterile system completely disposable after use. Physician and hospital acceptance of the system has been good.

New topical and injectable forms of the steroid ARISTOCORT® triamcinolone have been submitted to the Food and Drug Administration for approval. They would extend the range of usefulness of existing dosage forms.

Lederle is also awaiting clearance by the Food and



Scientists at Lederle's Pearl River, N. Y., headquarters have access to worldwide medical research in the new SubbaRow Library.

Drug Administration of MYAMBUTOL® ethambutol for the treatment of tuberculosis. The drug is expected to be a valuable addition to tuberculosis therapy since it is effective against bacilli which are resistant to presently available drugs. Because of the prevalence of tuberculosis in other parts of the world, the drug is expected to have greater importance internationally.

In March of 1966 Lederle Laboratories instituted its Welfare Drug Equalization Plan to aid state agencies in reducing drug costs for welfare patients. Eight states were participating at the end of the year. Under the program, welfare departments are refunded the difference between drug prices paid at the pharmacy level and the price the welfare agency would have paid for the drugs as a tax-supported institution.

In another area of medical sales, the Davis & Geck Division has introduced the PRE-OP* textured surgical scrub sponge impregnated with antibacterial soap in a sterile, disposable package. The product has been well received by surgeons, operating room supervisors and other surgical personnel.

Now in the hands of nation's doctors is LEVOPROME® methotrimeprazine, a non-narcotic analgesic drug. It received clearance from the Food and Drug Administration in mid-October.

Agricultural – Sales to the agricultural industry were particularly strong in 1966. Increases were achieved by the Agricultural Division in each of its product areas: fertilizers, animal feed supplements, pesticides and animal health products. On a worldwide basis, agricultural sales increased by 18 per cent and accounted for 20 per cent of total company sales compared to 19 per cent in 1965.

Demand was high for animal feed supplements containing broad-spectrum antibiotics. This is a field pioneered by Cyanamid. The use of AUREO S•P® 250 feed premixes in starter feeds for swine continued to grow and, in the latter part of 1966, the product was approved by the Food and Drug Administration for use in larger pigs, opening up new sales opportunities. A new poultry product, AUREOMYCIN® SS feed premix, introduced in late 1965, has gained wider acceptance in starter feeds for broilers.

The Agricultural Division expects to benefit considerably from several of the company's major capital expansion projects now in start-up or early production. The new facilities at Fortier will help meet growing customer fertilizer needs for ammonia and urea, as well as for CYREA® feed-grade urea, primarily used in feeding cattle.

The Agricultural Division's new plant at Hannibal, Missouri, is converting ammonia from Fortier into ammonium nitrate, a major solid nitrogen fertilizer. The

To coordinate the complex activities in bringing new drugs from laboratory to market, Lederle uses the Project Evaluation Reporting Technique (PERT) for precise step-by-step analyses.

*Trademark

Hannibal plant began operating in the fourth quarter of 1966. The new plant is also equipped with a large storage terminal serving as a distribution center for the supply of anhydrous ammonia to farmers in the Midwest.

In Florida, the company's new Chicora mine facility was scheduled for operation early in 1967. It will provide new phosphate rock capacity for fertilizers and will eventually replace older company mines which are nearing depletion.

The Agricultural Division expanded its pesticides sales in 1966. Particular progress was made with the insecticide Malathion, which has gained wide acceptance and endorsement because of its effectiveness and low degree of toxicity. The new product form, Malathion LV* concentrate, which can be applied undiluted from airplanes at rates of as little as one cupful per acre, continues to find new uses. In the summer of 1966, the United States Public Health Service coordinated a mass aerial spraying program in the Dallas, Texas, area to reduce the culex mosquito population which was causing a serious outbreak of encephalitis. A single spraying with Malathion reduced the mosquito population by approximately 95 per cent.

Now in service at the Chicora phosphate mine in Florida, this gigantic dragline weighs 1800 tons and is capable in each pass of shoveling up 70 tons of rock for processing into fertilizers.

When Dallas, Texas, was threatened in mid-1966 with an encephalitis epidemic, Air Force planes halted the mosquito-borne disease by spraying with Malathion LV* concentrate.

The Public Health Service also is finding the new aerial technique highly effective in its continuing mosquito control programs throughout the southern part of the United States. Malathion production facilities are being enlarged substantially to meet the rapidly expanding demand for this low-hazard, nonpersistent insecticide.

Another Cyanamid product, CYGON* systemic insecticide, which is capable of migrating throughout the plant from the leaves, is gaining broader usage. Originally introduced as an effective fly killer, it exhibits the desirable characteristics of acting both as a systemic and a conventional pest control agent. Sales potentials have been expanded by recent government clearances for CYGON in the control of a variety of insects on fruits, vegetables, and field crops.

The Agricultural Division made considerable progress during 1966 in expanding its network of Farm Supply Centers. These local outlets offer individually blended fertilizers, other agricultural products, and technical service to farmers in their own areas. The rate of construction of these new centers was doubled in 1966. By the end of the year approximately 100 were in operation in 14 states in the Midwest, South and Southeast. Sales through these farm service centers in 1966 were at an encouraging level.

Building and Consumer—Worldwide sales of building and consumer products for 1966 were 15 per cent higher than for 1965. They accounted for 22 per cent of total company sales compared to 21 per cent in 1965. The building and consumer market group includes the Building Products Division, the Fibers Division, the Consumer Products Division, and Formica Corporation. Their 1966 highlights are discussed separately below.

Building Products: The division manufactures and sells ACRYLITE® cast acrylic sheet produced at Sanford,

Midwestern farmers will benefit from Cyanamid's new facility at Hannibal, Missouri. This plant, for production of several nitrogen fertilizer products, began operating late in the year.

AUREO S•P® 250, the successful combination antibiotic feed premix introduced as a starter feed for young pigs in 1965, has now been given government clearance for hogs over 75 pounds.

Maine, from methyl methacrylate supplied by the Fortier plant. Sales of ACRYLITE plastic sheet continued to increase in 1966, particularly for use in outdoor illuminated signs. The signs are produced by fabricators for oil companies, supermarket chains and retail stores. Other uses for the plastic sheet in residential and commercial buildings include room dividers, skywindows, bathtub enclosures, glazing, and tabletop material for outdoor furniture. ACRYLITE is also used in aircraft windshields and windows.

The demand for larger sized cast sheets of ACRYLITE will be met by a new facility now under construction at the Sanford, Maine, plant site. Completion is scheduled in the latter part of 1967.

The Building Products line also includes FIAT® shower doors, cabinets and floors, metal partitions and laundry tubs and basins. Fiat sales continued to increase in 1966. A new package shower unit sold under the TRINTESSA trademark was introduced. It combines Fiat's MOLDED-STONE® shower floor, FORMICA® brand laminated plastic walls and a sliding shower door of ACRYLITE acrylic sheet.

Formica Corporation: Sales of FORMICA® brand laminated plastics increased in 1966, both for decorative and industrial laminates. The development of new laminates, new patterns and new product applications is expected to expand the use of FORMICA decorative laminates in residential, institutional and commercial construction.

Significant to Formica Corporation's future growth is its new Sierra plant near Sacramento, California. Production of decorative laminates began at the plant in the fourth quarter of 1966. It will increase Formica's productive capacity and improve distribution in the Western states.

Sales of FORMICA brand products felt the impact of reduced housing starts during the latter part of the year. Nevertheless, important strides were made in the use of FORMICA laminates for surfacing kitchen cabinets and bathroom vanitories. A new vertical surfacing laminate for the kitchen and vanitory cabinet market was introduced in December. Called V-40, the laminate was developed expressly for vertical applications and offers wide flexibility in fabrication techniques. It is marketed in six new woodgrain patterns, all with a non-glare suede finish.

Also in December, Formica Corporation introduced its Sculptured Finish decorative laminate to the home building industry. It is a new surfacing material with a

*Trademark

The desk and table tops, shelves, wall paneling and doors in this high school are surfaced with FORMICA® brand laminated plastic. Architects and designers are increasingly specifying utilization of this material because of its decorative and durable qualities.

Los Angeles' luxurious Century Plaza Hotel gets its golden glow from light shields made of ACRYLITE® acrylic plastic.

three-dimensional effect resulting from a special printing and embossing process.

Formica's Industrial Products Department had higher sales of copper clad laminated plastic for the communications and defense industries. A new multi-layer electronic circuit board was introduced in 1966 for use in the growing field of microcircuitry in the space and computer industries.

Fibers: Although the synthetic fiber industry faced serious problems in 1966 with overcapacity, imports, increased competition and price erosion, Cyanamid's sales of CRESLAN® acrylic fiber were slightly higher than for 1965. The Fibers Division markets include blankets, floor coverings, and apparel fabrics. Progress also was made in the important "contract" carpet market, where CRESLAN is finding good acceptance in hotels, schools and banks.

New staple and tow production facilities, started in 1965 at the division's Santa Rosa plant site near Pensacola, Florida, are expected to be completed in the second quarter of 1967.

As announced in December, Cyanamid has discontinued its work in acrylic filament. The improved quality of other fibers, intensified interfiber competition and the long range outlook for lower prices made it apparent that this project would not meet company standards for return on investment.

Formica Corporation began production of decorative laminates at this new facility near Sacramento, California, during the last quarter of 1966. It will increase the company's overall capacity and will improve distribution of laminates in eleven Western states.

Sales of PINE-SOL® household cleaner have increased. Housewives like triple action: it cleans, disinfects, deodorizes.

Consumer Products: Demand for quality BRECK® hair care preparations continued at a high level both for established and new products. Retail sales of liquid shampoos were especially strong.

BRECK® concentrate shampoo has had an excellent reception since its introduction in 1964, meeting the growing preference for concentrates with the traditional Breck quality and effectiveness. The Breck line of hair sprays also gained in sales, particularly the popular new MISS BRECK® hair spray, developed for the teen-age market.

The Consumer Products Division is placing heavy emphasis on the development and introduction of new products to maintain and improve its market position. Two new Breck products reached national distribution in 1966 and met with success: BRECK® Creme Rinse with Body and BRECK® Shampoo for Color Treated Hair.

The division scheduled national introduction for BRECK GO GO LIGHT® Gentle Blonding Kit in the first quarter of 1967 following successful test marketing in 1966.

Sales of household products continued to increase in 1966. PINE-SOL® cleaner-disinfectant-deodorizer gained further popularity with housewives. PREEN® waxes and polishes for floor and furniture had higher sales even though still in regional distribution.

New from Breck in 1966: Creme Rinse with Body, recommended for fine hair, and Shampoo for Color Treated Hair, either lightened or colored. Both are now distributed nationally.

International—Sales outside the United States and Canada in 1966, exclusive of sales by associated companies, were $168,370,000, an increase of 9 per cent compared to 1965. They accounted for 18 per cent of total company sales.

The business of associated companies overseas, those in which Cyanamid has an interest ranging from 40 to 50 per cent, constitutes an important part of Cyanamid International's activities. Total sales by these companies in 1966, not reflected in consolidated sales, were about $83 million.

Cyanamid's marketing position in FORMICA® brand laminated plastics was significantly improved in Latin America. A new plant for the production of FORMICA laminates in Nicaragua was put into operation to supply Central America and Panama. Plant facilities in Argentina, acquired in 1965, were converted to produce FORMICA brand laminated plastics, placing them back on the Argentine market for the first time since 1959 when sale was generally discontinued because of high import tariffs. Cyanamid de Venezuela, C.A. acquired the assets of Formiven, C.A., and its manufac-

Banks, such as this one in California, are finding carpets of CRESLAN® acrylic fiber both economical and pleasing. They are also being used effectively in schools, offices and stores.

Poultry farmer in the Punjab area of India learns from a Cyanamid technical service representative why AUROFAC® antibiotic animal feeds will help him raise more and better chickens.

A melamine and urea plastics molding compounds plant has been completed at Cartagena, Colombia. It will help meet demands of the plastic dinnerware industry in Latin America.

turing subsidiary, Laminados Plasticos Tesaba, C.A. Its facilities produce a local brand of laminated plastic, FORMIVENCA, which remains on the market. FORMICA brand laminates were introduced early in 1967.

A new venture for the International Division in synthetic fibers began early in 1966 with the formation of a company jointly owned with Algemene Kunstzijde Unie N.V. (AKU) of Arnhem, The Netherlands. The new company, Cyanenka S.A., will produce acrylic fiber in Barcelona, Spain, at a new plant which will be completed in mid-1967. Cyanamid holds a 40 per cent interest and is providing the processes and know-how for manufacturing acrylic staple and tow. Sales throughout Spain will be handled by a marketing organization affiliated with the AKU group of companies.

In the consumer field overseas, BRECK® shampoo and hair sprays gained considerable popularity in Great Britain during their first year of nationwide availability. A similar reception is being noted in Denmark, indicating substantial new markets for the Breck line of products. Several other European countries are being evaluated as consumer markets.

In 1966, the International Division added three new chemical plants to its network of producing facilities outside the United States. At Cartagena, Colombia, a new plant for the production of melamine and urea plastic molding compounds was placed in operation in May. The plant will help supply the growing plastic dinnerware industry in Latin America.

In The Netherlands, a new acrylamide plant began operation in the fourth quarter at Botlek near Rotterdam. The Fortier plant is supplying the Botlek facility with acrylonitrile as a raw material to be further processed into the widely used acrylamide and its derivatives.

Another new plant, for the manufacture of melamine, was dedicated in October at Mobara, Japan, near Tokyo. Melamine, for use in plastics, is being manufactured from urea using a chemical process developed by Cyanamid. The Japanese plant is jointly owned with Toyo Koatsu Industries, Incorporated.

Medical sales by Cyanamid International increased in 1966 despite the effects of price reductions in antibiotics in Great Britain and other countries. In Iran, a new plant for the formulation and packaging of Cyanamid's pharmaceutical products began operating at Tehran in the second quarter. It is jointly owned with the Khosrowshahi interests. This brings to 17 the number of plants outside the United States and Canada formulating Lederle pharmaceuticals.

A new drug, ethambutol, for the treatment of tuberculosis, was introduced in Japan late in 1966 for marketing in 1967. Marketing in certain European and Latin American countries is expected in 1967. The product is still awaiting government clearance before being introduced in the United States.

Because tastes differ around the world, Cyanamid International must produce special antibiotic formulations. In Germany, for example, children prefer citrus to cherry flavored syrups.

Having successfully marketed BRECK® hair care products in England, Cyanamid International began introducing this quality line of shampoos and hair sprays in Scandinavia in 1966.

Several new developments occurred in Cyanamid International's agricultural business. Continuing field tests with Malathion LV* concentrate insecticide have shown the product to be effective against a variety of pests in other countries, following its successful introduction in the United States. Sales gains were made in Latin America and usage is expected to grow elsewhere overseas in 1967.

Another comparatively new product, CYCOCEL® plant growth regulator, is exceeding sales expectations in Europe. CYCOCEL reduces the stem length of plants making them sturdier and more adaptable to adverse climatic conditions.

Canada—American Cyanamid Company observes its 60th anniversary in 1967. Its first plant was located at Niagara Falls in Canada for the production of a synthetic fertilizer. This historic plant site today serves as one of nine manufacturing locations for the diversified operations of Cyanamid of Canada Limited.

The Canadian company had significantly higher sales in 1966 compared to 1965, particularly in chemicals, agricultural products, and building products. The company's markets also include pharmaceuticals, surgical products and consumer products.

In agriculture, new ammonia and urea facilities for fertilizers and animal feeds were completed at the Welland plant near Niagara Falls in the fourth quarter. The Canadian company is a highly diversified fertilizer supplier in that country, providing a range of solid and liquid nitrogen, phosphate and mixed fertilizers.

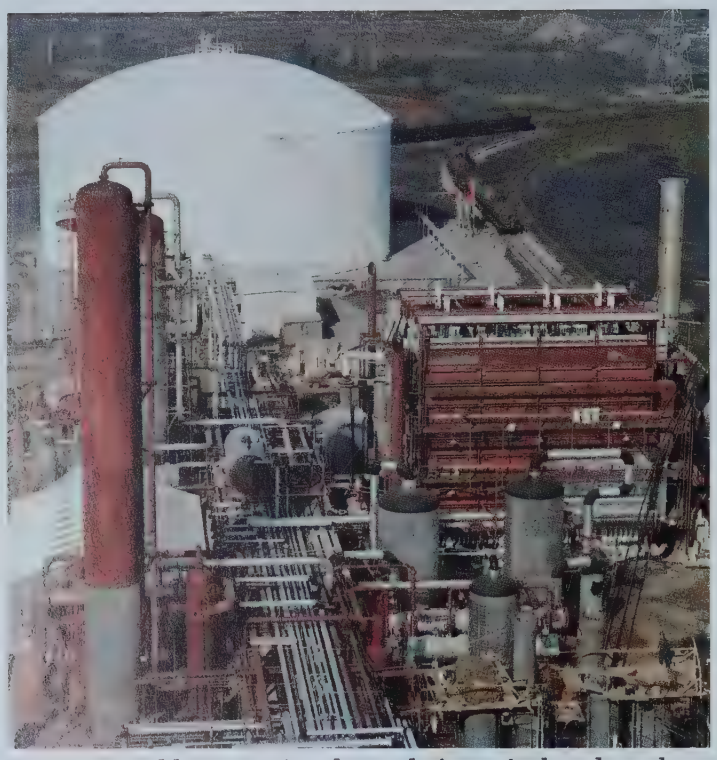
Cyanamid of Canada is expanding its network of farm service centers in Ontario, Quebec, and the Maritime Provinces. The number of centers has been increased to 33. They offer technical service, blended fertilizers and other agricultural products to farmers as do those in the United States, and are jointly owned with local Canadian interests. Sales through these outlets are increasing.

Production capacity for FORMICA® brand laminated plastics at St. Jean, Quebec, is being more than doubled to meet growing demand. Full operation of the new facilities is expected in the first quarter of 1967. This is the fourth expansion at St. Jean since FORMICA products were introduced in Canada in 1958.

Among other capital projects in Canada are a new surgical sutures plant near Montreal, which began production in 1966, and a new calcimatic lime kiln at Beachville, Ontario, which will be completed in the second quarter of 1967.

Cyanamid of Canada has joined five other chemical companies to sponsor a pavilion on the theme of color at Expo 67, which opens in Montreal in April. In addition, several applications of Cyanamid's building and agricultural products have been incorporated in other exhibits at the exposition.

*Trademark



To meet steadily increasing demands in agricultural markets, Cyanamid of Canada Limited added new ammonia and urea facilities at Welland for producing fertilizers and animal feeds.

Employee Relations—In 1966, labor negotiations were completed satisfactorily with 32 local unions. Four work stoppages occurred at domestic plants during the first half of the year. The locations and durations were as follows: Wallingford, Connecticut, seven weeks; Mobile, Alabama, eight weeks; Michigan City, Indiana, nine weeks; and Azusa, California, two weeks. Supervisory and other employees maintained essential production at each plant throughout the strikes.

Cyanamid's safety record for the year showed a disabling injury frequency of 1.93 per million man-hours worked compared to 1.63 in 1965. The over-all frequency for member companies of the Manufacturing Chemists' Association was 3.11 in 1965.

Litigation—In June, the United States Court of Appeals for the Sixth District set aside the Federal Trade Commission's order against Cyanamid and five other drug companies relating to the production and sale of the broad-spectrum antibiotic, tetracycline. The Court remanded the case to the Commission for a new hearing.

The Commission had concluded in 1963 that the defendant drug companies had engaged in "unfair methods of competition" with respect to tetracycline pricing, and that Cyanamid and one other defendant had also engaged in "unfair methods of competition" in efforts to obtain a patent for tetracycline.

Upon rehearing of the patent issue, a Federal Trade Commission hearing examiner released an initial decision in December, 1966, finding against Cyanamid and the other company. He ordered both companies to be bound by the patent provisions of the Commission's order of 1963. Cyanamid has filed notice of intention to appeal to the Commission on the ground that the decision is not supported by the evidence. The order is stayed pending the appeal. If affirmed by the Federal Trade Commission and the courts, the order would require the limited licensing at a royalty of certain patents and know-how of Cyanamid and the other company to permit the manufacture of tetracycline.

No date has been set as yet for the trial of Cyanamid and two other manufacturers under the Federal grand jury indictment on charges substantially similar to those in the Federal Trade Commission proceeding.

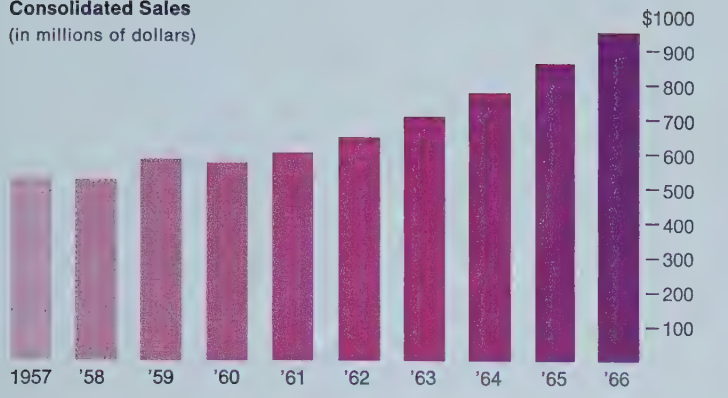
A number of other cases are pending in various courts, both in this country and abroad, relating to tetracycline. Some of these domestic cases include substantial claims against the company involving antitrust allegations similar to those involved in the Federal Trade Commission proceeding. One such case was settled in 1966. It seems unlikely, though not impossible, that any of these domestic cases will be tried and decided before the final decision in the Federal Trade Commission proceeding.

Domestic Associated Companies (50% owned)

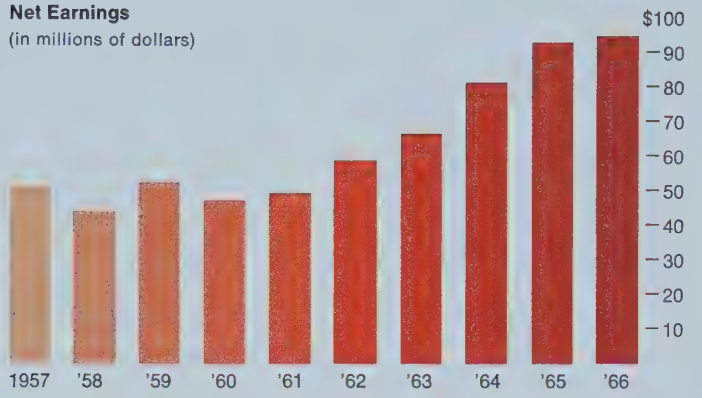
Jefferson Chemical Company, Inc., jointly owned with Texaco Inc., had record earnings and sales in 1966. The company doubled its capacity for the production of propylene oxide and is building a new plant for ethylene amines. New facilities have been completed for the production of intermediates for synthetic polymers and expansion is under way to double morpholine capacity. Plans have been announced for a specialty chemicals plant to be located in the United Kingdom to produce morpholine, piperazine, and related products.

Arizona Chemical Company, jointly owned with International Paper Company, also had record earnings and sales in 1966. Arizona Chemical is proceeding with the expansion and modernization of its tall oil refinery at Panama City, Florida. Completion is expected in mid-1967. Its products have wide usage in the paper industry, the manufacture of soaps and detergents and other chemical applications.

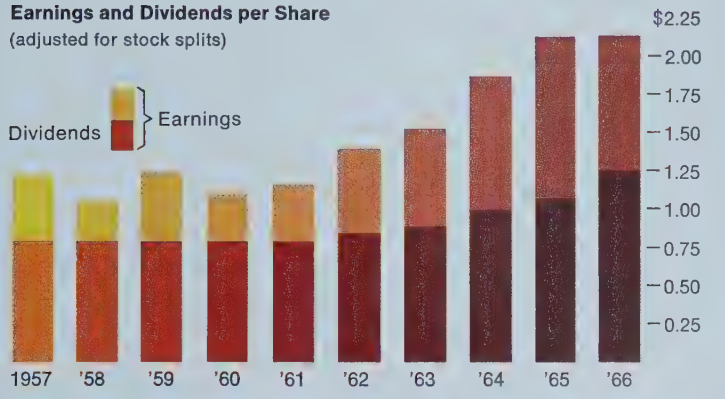
Consolidated Sales
(in millions of dollars)



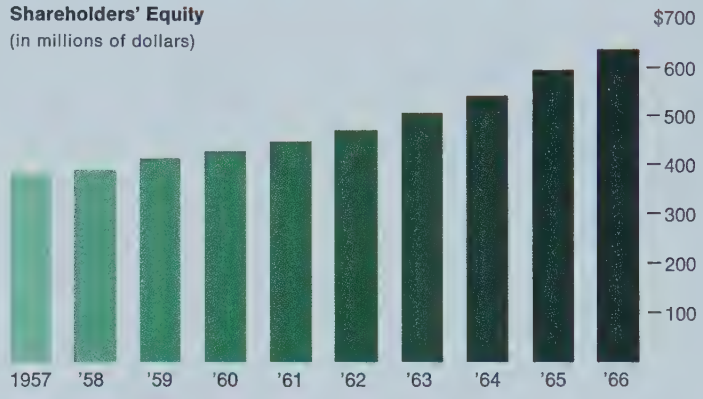
Net Earnings
(in millions of dollars)



Earnings and Dividends per Share
(adjusted for stock splits)



Shareholders' Equity
(in millions of dollars)



Financial Review

Sales Volume—Consolidated sales in 1966 were $952,575,113, compared with $862,964,625 in 1965. Comparative quarterly sales for the two years were:

Quarter	1966	1965
First	$236,928,000	$210,499,000
Second	256,999,000	220,471,000
Third	230,281,000	210,074,000
Fourth	228,367,000	221,921,000
	$952,575,000	$862,965,000

Earnings—Pre-tax earnings for 1966 were $159,910,632 compared with $162,554,113 in the previous year. After provision for Federal and foreign income taxes of $65,500,000, consolidated net earnings for 1966 were $94,410,632 compared with $93,054,113 in 1965.

On April 18, 1966, shareholders approved a two-for-one split of Common Stock increasing the number of shares outstanding from 22,314,264 to 44,628,528.

Per-share earnings amounted to $2.13 on the 44,273,516 common shares (excluding treasury shares) outstanding at the close of 1966. In 1965, earnings per share were $2.11 after giving effect to the stock split.

Comparative earnings by quarters for the two years with earnings per share on the adjusted basis were:

Quarter	1966	Per Share	1965	Per Share
First	$26,711,000	$ .60	$22,998,000	$ .52
Second	27,137,000	.62	22,664,000	.52
Third	22,308,000	.50	22,252,000	.50
Fourth	18,255,000	.41	25,140,000	.57
	$94,411,000	$2.13	$93,054,000	$2.11

In 1966, the investment tax credit benefited net earnings by 12 cents a share compared to 8 cents a share in 1965.

Capital Stock—As of December 31, 1966, there were 44,690,608 shares of Common Stock outstanding, compared to 22,314,264 shares outstanding at the end of 1965. Totals include treasury stock of 417,092 shares and 233,575 shares respectively.

Prior to the split of common shares on April 18, 1966, a total of 15,591 shares of Common Stock held in treasury was transferred on a restricted basis to employee participants in respect of contingent incentive compensation allotments for 1965. Another 2,367 shares of Common Stock were delivered to retired participants.

After the stock split, 54,332 shares of Common Stock previously reserved were issued under agreements with respect to the acquisition of the net assets of the Dumas Milner Corporation acquired in 1963. Another 7,748 shares similarly reserved were issued to complete the acquisition of the net assets of John H. Breck, Inc., acquired in 1963. Another 14,142 shares were delivered to retired participants.

Beginning with the first quarter of 1966, the quarterly dividend rate was increased from 57½ cents to 62½ cents per share, equivalent to 28¾ cents and 31¼ cents per share after the stock split. Dividends paid by Cyanamid in 1966 amounted to $54,956,000 or $1.25 per share on the adjusted basis, compared to 1965 payments of $47,165,000 or $1.07½ per share.

Associated Companies—Total 1966 earnings of companies jointly owned (40% to 50%) by Cyanamid were higher than in 1965. Cyanamid's equity in these earnings amounted to $9,163,000 as compared with $8,073,000 last year. Dividends from these associated companies totalled $7,516,000 as against $6,991,000 in 1965.

Consolidated Statement of Earnings

Year Ended December 31, 1966 in Comparison with the Year Ended December 31, 1965

	1966	1965
NET SALES	$952,575,113	$862,964,625
Dividends from associated companies, 40% to 50% owned	7,516,444	6,990,648
Interest	3,417,730	3,827,400
Royalties and licenses	7,189,277	7,413,960
Other income—net	429,385	539,243
	971,127,949	881,735,876
Deduct:		
Manufacturing cost of sales—less depreciation and depletion	490,673,022	417,920,727
Selling and advertising expenses	159,211,010	148,171,382
Administrative and general expenses	50,943,060	50,540,769
Depreciation, amortization and depletion	45,479,020	42,628,061
Research and process development expenses	44,003,937	41,374,297
Interest charges on funded and other debt	6,142,419	4,611,071
Employees' pension and group insurance plans	14,764,849	13,935,456
	811,217,317	719,181,763
EARNINGS BEFORE TAXES ON INCOME	159,910,632	162,554,113
Provision for Federal and foreign taxes on income	65,500,000	69,500,000
NET EARNINGS	$94,410,632	$ 93,054,113
Net Earnings per share of Common Stock (based on the shares outstanding at the end of each year after giving effect to the two-for-one split on April 18, 1966)	$2.13	$2.11

Consolidated Statements of Capital Surplus and Earnings Employed in the Business

Year Ended December 31, 1966 in Comparison with the Year Ended December 31, 1965

	1966	1965
CAPITAL SURPLUS		
Balance at beginning of year	$20,562,544	$20,070,343
Excess of value ascribed to mineral properties acquired over the cost of 49,435 shares of Common Stock issued therefor	—	492,201
Balance at end of year	$20,562,544	$20,562,544
EARNINGS EMPLOYED IN THE BUSINESS		
Balance at beginning of year	$365,617,054	$320,160,790
Net earnings for the year	94,410,632	93,054,113
Excess of the amount of net assets acquired in 1963 from Dumas Milner Corporation over the par value of shares of Common Stock issued therefor in 1963 and 1966	792,811	—
	460,820,497	413,214,903
Deduct:		
Dividends on Common Stock—$1.25 per share (1965, $1.07½ per share after giving effect to the two-for-one split on April 18, 1966)	54,955,914	47,164,635
Excess of the cost of 9,702 shares of Common Stock over the book value of the net assets acquired in a pooling of interest	—	433,214
Par value of shares of Common Stock, previously reserved, relating to the net assets acquired in 1963 from John H. Breck, Inc.	38,740	—
	54,994,654	47,597,849
Balance at end of year (Notes 1 and 6)	$405,825,843	$365,617,054

Consolidated Balance Sheet

December 31, 1966 in Comparison with December 31, 1965

ASSETS	1966	1965
CURRENT ASSETS:		
Cash in banks and on hand	$ 40,582,801	$ 47,588,071
Marketable securities and time deposits, at cost and accrued interest	43,830,375	90,211,448
Accounts receivable, less provision for doubtful accounts	145,980,806	134,103,382
Inventories, at lower of cost or market	166,951,346	144,003,544
TOTAL CURRENT ASSETS	397,345,328	415,906,445
INVESTMENTS AND ADVANCES:		
Associated companies, 40% to 50% owned—at cost (equity in net assets $47,100,000; 1965, $43,100,000)	30,761,098	28,370,841
Other investments and advances	4,603,608	6,021,846
TOTAL INVESTMENTS AND ADVANCES	35,364,706	34,392,687
PLANTS, EQUIPMENT AND FACILITIES, at cost	926,100,138	861,459,729
Less accumulated depreciation, amortization and depletion	459,550,156	457,334,378
NET PLANT INVESTMENT	466,549,982	404,125,351
PREPAID EXPENSES AND DEFERRED CHARGES	12,083,211	11,200,053
	$911,343,227	$865,624,536

LIABILITIES AND SHAREHOLDERS' EQUITY	1966	1965
CURRENT LIABILITIES:		
Accounts payable and accrued expenses	$ 88,299,484	$ 78,947,898
Short term foreign loans	7,944,193	11,855,899
Funded debt installments due within one year	138,045	139,045
Provision for Federal and foreign taxes on income	46,364,356	61,131,846
TOTAL CURRENT LIABILITIES	142,746,078	152,074,688
FUNDED DEBT NOT DUE WITHIN ONE YEAR (Note 3)	110,573,232	102,450,311
INCENTIVE COMPENSATION CONTINGENTLY PAYABLE—NET (Note 4)	2,407,327	2,380,284
INCOME TAXES PAYABLE IN THE FUTURE	12,500,000	7,265,000
MINORITY SHAREHOLDERS' EQUITY IN FOREIGN SUBSIDIARIES	4,908,588	4,827,137
SHAREHOLDERS' EQUITY:		
Common Stock—par value $5 per share (Note 5)		
Authorized—60,000,000 shares		
Outstanding—44,690,608 shares	223,453,040	223,142,640
Capital surplus	20,562,544	20,562,544
Earnings employed in the business (Notes 1 and 6)	405,825,843	365,617,054
	649,841,427	609,322,238
Less cost of 417,092 shares of Common Stock held in treasury (Note 2)	11,633,425	12,695,122
TOTAL SHAREHOLDERS' EQUITY	638,208,002	596,627,116
	$911,343,227	$865,624,536

Notes to Consolidated Financial Statement of 1966

1. Assets, other than plants and facilities, and liabilities of the foreign subsidiaries are included in the consolidated balance sheet on the basis of official or other appropriate exchange rates at December 31, 1966; foreign plants and facilities are included on the basis of exchange rates prevailing at time of acquisition. The amounts so included comprise net current assets of $58,800,000 and net other assets, principally plants and facilities, less depreciation, of $57,500,000. Net earnings of foreign subsidiaries included in consolidated earnings amount to $13,800,000. The consolidated earnings employed in the business include the company's equity in the net undistributed earnings of foreign subsidiaries amounting to $54,900,000.

2. At December 31, 1966 the company owned and held in its treasury 417,092 shares of Common Stock, which are available at the election of the company to fulfill contingent obligations under the incentive compensation plan and for other corporate purposes.

3. Funded debt not due within one year is comprised of 3¾% promissory notes due 1977 to 1987 ($75,000,000), 5¾% guaranteed sinking fund debentures due 1980 of a subsidiary ($20,000,000) and sundry obligations ($15,573,232).

4. The accounts for 1966 include provision for incentive compensation to officers and other employees. A portion of such amount is not payable currently in cash but is contingently payable in Common Stock of the company after employment ceases; pending allotment of the amount available for 1966 the portion so contingently payable in Common Stock is not determinable. The amount contingently payable in respect of allotments for prior years, less estimated tax benefits, is $2,407,327.

5. The authorized capital of the company includes 650,000 shares of Preferred Stock with a par value of $1 per share, none of which is outstanding.

6. The promissory notes contain certain restrictions including restrictions on the payment of dividends. As a result of such restrictions, the amount of earnings employed in the business at December 31, 1966 which may be applied to the payment of cash dividends is limited to $188,000,000.

7. The company is contingently liable as guarantor on loans outstanding of associated companies in the amount of $24,361,000.

8. Reference is made to the remarks concerning litigation on page 14 of the foregoing report of the Board of Directors.

Consolidated Statement of Source and Application of Funds

Year Ended December 31, 1966 in Comparison with the Year Ended December 31, 1965

	1966	1965
SOURCE OF FUNDS:		
Net earnings	$ 94,410,632	$ 93,054,113
Charges to earnings not requiring current cash outlays:		
Depreciation, amortization and depletion	45,479,020	42,628,061
Income taxes payable in the future	5,235,000	(6,001,000)
Decrease in cash and marketable securities	53,386,343	35,373,180
Increase in funded debt not due within one year	8,122,921	21,618,265
Common Stock issued	1,372,097	6,772,121
	$208,006,013	$193,444,740
APPLICATION OF FUNDS:		
Dividends on Common Stock paid in cash	$ 54,955,914	$ 47,164,635
Additions to plants, equipment and facilities—net	107,903,651	124,480,283
Additions to investments and advances—net	972,019	566,729
Decrease (increase) in current liabilities	9,328,610	(11,843,419)
Increase in accounts receivable and inventories	34,825,226	29,745,518
All other—net	20,593	3,330,994
	$208,006,013	$193,444,740

Accountants' Report

THE BOARD OF DIRECTORS
AMERICAN CYANAMID COMPANY:

We have examined the consolidated balance sheet of American Cyanamid Company and subsidiaries as of December 31, 1966 and the related statements of earnings, capital surplus and earnings employed in the business for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying consolidated financial statements present fairly the financial position of American Cyanamid Company and subsidiaries at December 31, 1966 and the results of their operations for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year. Also, in our opinion, the accompanying consolidated statement of source and application of funds presents fairly the information shown therein.

New York, N.Y.
February 7, 1967

PEAT, MARWICK, MITCHELL & CO.

Ten Year Comparative Summary of Financial Statistics

	1966	1965
Net Sales	$952,575	$862,965
Earnings before Taxes on Income	159,911	162,554
Provision for Taxes on Income	65,500	69,500
Net Earnings	94,411	93,054
Dividends on Preferred Stocks	—	—
Earnings available for Common Stock	94,411	93,054
Dividends on Common Stock	54,956	47,165
Number of Common Shares at Dec. 31 (excl. treasury shares)*	44,274	44,161
Earnings per share of Common Stock *	2.13	2.11
Dividends per share of Common Stock *	1.25	1.07½
Provision for depreciation, amortization and depletion	45,479	42,628
Gross additions to plant facilities (incl. acquisitions)	108,430	129,530
Current Assets	397,345	415,906
Current Liabilities	142,746	152,075
Working Capital	254,599	263,831
Investment in Associated Companies	30,761	28,371
Plants, Equipment and Facilities	926,100	861,460
Less accumulated depreciation, amortization and depletion	459,550	457,335
Net Amount	466,550	404,125
Funded Debt not due within one year	110,573	102,450
Shareholders' Equity:		
Preferred Stocks	—	—
Common Stock	223,453	223,143
Capital Surplus	20,563	20,563
Earnings employed in the business	405,826	365,617
	649,842	609,323
Less cost of Common Stock held in treasury	11,634	12,695
Total Shareholders' Equity	$638,208	$596,628

*Based on the shares outstanding at the end of each year after giving effect to the issuance on April 18, 1966 of one additional share for each share outstanding.
**Nominal

(Amounts are expressed in thousands)

1964	1963	1962	1961	1960	1959	1958	1957
$779,003	$710,529	$649,211	$603,959	$578,390	$583,575	$525,076	$532,479
143,645	128,839	115,321	95,853	92,321	103,484	82,341	102,348
62,000	62,500	56,000	46,500	45,500	51,200	38,500	51,000
81,645	66,339	59,321	49,353	46,821	52,284	43,841	51,348
—	**	**	**	2	4	4	12
81,645	66,339	59,321	49,353	46,819	52,280	43,837	51,336
43,798	39,391	36,365	34,156	34,028	33,939	33,916	33,823
43,902	43,868	42,758	42,764	42,595	42,488	42,404	42,450
1.86	1.51	1.39	1.15	1.10	1.23	1.03	1.21
1.00	.90	.85	.80	.80	.80	.80	.80
39,040	37,785	44,811	43,825	42,296	43,981	36,991	32,182
49,106	48,988	36,235	49,464	48,288	35,496	85,567	87,932
421,534	379,747	337,852	302,508	269,617	262,067	219,520	270,928
140,231	121,910	109,240	111,758	98,518	100,489	88,950	102,378
281,303	257,837	228,612	190,750	171,099	161,578	130,570	168,550
25,455	23,876	19,621	20,251	21,819	20,537	20,052	19,173
760,701	728,636	716,530	689,589	651,908	614,083	591,865	512,652
438,428	413,251	403,662	367,204	330,151	296,602	262,934	231,903
322,273	315,385	312,868	322,385	321,757	317,481	328,931	280,749
80,832	88,065	89,649	88,503	89,966	91,554	93,017	92,750
—	—	3	6	14	106	186	164
223,143	222,769	215,868	215,253	214,275	213,526	212,984	212,879
20,070	18,598	14,814	12,407	8,778	5,995	4,188	4,005
320,161	282,313	252,072	229,116	213,919	201,128	182,787	172,866
563,374	523,680	482,757	456,782	436,986	420,755	400,145	389,914
19,467	16,765	8,879	5,979	5,356	4,168	3,544	2,162
$543,907	$506,915	$473,878	$450,803	$431,630	$416,587	$396,601	$387,752

Operating Divisions and Principal Subsidiaries

LYMAN C. DUNCAN
Vice President

LEDERLE LABORATORIES, *Robert P. Parker, General Manager*—Antibiotics, Biologicals, Pharmaceuticals, Sulfonamides, Hematinics, Vitamins, Viral Vaccines, Diagnostic Agents

DAVIS & GECK, *Joel R. Brown, Jr., General Manager*—Sterile Surgical Sutures, and Surgical Specialties, including Dressings, Germicides and Scrub Sponges

ERNEST G. HESSE
Vice President

CYANAMID INTERNATIONAL, *Harry F. Bliss, Jr., Managing Director*—Produces and markets the Company's products through subsidiaries and distributors outside the United States and Canada

CYANAMID OF CANADA LIMITED, *Samuel R. Stovel, President*—Produces or imports and markets in Canada the products of Cyanamid and its subsidiaries

JERROLD H. RUSKIN
Vice President

BUILDING PRODUCTS, *Robert T. MacAllister, General Manager*—Acrylite® Cast Acrylic Sheet, Acrylite* Skywindows, Wasco® Thru-Wall, Spandrel, Roof Flashing products, and Fiat® Showers, Partitions and Laundry Components

FORMICA CORPORATION, *Nolan B. Sommer, President and General Manager*—Decorative Laminated Plastics, Industrial Laminated and Molded Plastics, Supercore® Flakeboard, Adhesives, Formica® Laminated Plastic Cabinet Surfacing, Laminate-Clad Doors, Formica® Vertical Interior Paneling, and other Laminate-Surfaced Panel Products

PLASTICS AND RESINS, *William D. Holland, General Manager*—Adhesives, Coating Resins, Laminating Resins, Melamine, Resins for Reinforced Plastics, Thermosetting Molding Compounds, Acrylic Molding Compounds, Aluminum Honeycomb Core Material for Aircraft and Aerospace Industries

GEORGE W. RUSSELL
Vice President

FIBERS, *Alden R. Loosli, General Manager*—Acrylic Fiber sold under the Creslan® trademark

INDUSTRIAL CHEMICALS, *Philip G. Connell, Jr., General Manager*—Chemicals for the Paper Industry, Industrial Process Chemicals, Water and Waste Treatment Chemicals, Industrial Biocides, Heavy Chemicals, Explosives, Chemicals for the Metal Industry, Surface Active Chemicals, Film Chemicals, Mining and Ore Processing Chemicals, and Chemicals for Erosion and Seepage Control

ORGANIC CHEMICALS, *Thomas P. Turchan, General Manager*—Catalysts, Dyes, Elastomers, Intermediates, Plastic Additives, Refinery Chemicals, Rubber Chemicals, Textile Chemicals, Textile Resins

PIGMENTS, *Joseph A. Schmidlein, General Manager*—Inorganic and Organic Chemical Colors, Unitane® Titanium Dioxide

CLIFFORD D. SIVERD
Vice President

AGRICULTURAL, *James F. Bourland, General Manager*—Animal Feed and Veterinary Products, Insecticides, Fungicides and Herbicides, Nitrogen and Phosphate Fertilizer Products, Bulk Blended and Mixed Fertilizers

CONSUMER PRODUCTS, *Burton F. Bowman, General Manager*—Breck® Preparations for Care of the Hair, Pine-Sol® Disinfectant-Deodorizer and other Household Maintenance, Cleaning and Laundering Aids

*Trademark

Service Divisions

WILLIAM H. BOWMAN
Vice President

PERSONNEL
Clair L. Brandrup, Director

PUBLIC RELATIONS
John M. Fasoli, Director

PURCHASING
Richard E. Noble, Director

TRANSPORTATION & DISTRIBUTION
Gerrit W. Van Schaick, Director

THOMAS P. FORBATH
Vice President

COMMERCIAL DEVELOPMENT
George J. Sella, Jr., Director

ENGINEERING & CONSTRUCTION
Gerard A. Forlenza, Director

RICHARD S. KYLE
Vice President—General Counsel

LAW
Harold B. Gross, Director

RICHARD O. ROBLIN
Vice President

CENTRAL RESEARCH
John F. Flagg, Director

GORDON C. WALKER
Executive Vice President

CONTROLLER'S
Donald M. Benjamin, Controller

TREASURY
Wallace G. Taylor, Treasurer

PRINCIPAL SALES OFFICES IN THE U.S.

Akron, Ohio
Atlanta, Ga.
Baltimore, Md.
Bluefield, W.Va.
Boston, Mass.
Bound Brook, N.J.
Brewster, Fla.
Buffalo, N.Y.
Charlotte, N.C.
Chicago, Ill.
Cincinnati, Ohio
Cleveland, Ohio
Columbus, Ohio
Dallas, Tex.
Danbury, Conn.
Davenport, Iowa
Denver, Colo.
Des Moines, Iowa
Detroit, Mich.
East Milton, Mass.
East Orange, N.J.
Falls Church, Va.
Grand Rapids, Mich.
Greensboro, N.C.
Havre de Grace, Md.
Honolulu, Hawaii
Houston, Tex.
Indianapolis, Ind.
Jacksonville, Fla.
Kalamazoo, Mich.
Kansas City, Mo.
Latrobe, Pa.
Linden, N.J.
Los Angeles, Calif.
Louisville, Ky.
Memphis, Tenn.
Miami, Fla.
Milwaukee, Wis.
Minneapolis, Minn.
Mobile, Ala.
Montgomery, Ala.
New Orleans, La.
New York, N.Y.
Oakland, Calif.
Omaha, Neb.
Orlando, Fla.
Pearl River, N.Y.
Perrysburg, Ohio
Philadelphia, Pa.
Phoenix, Ariz.
Pittsburgh, Pa.
Plainview, N.Y.
Portland, Ore.
Pottsville, Pa.
Princeton, N.J.
Richmond, Va.
Rochester, N.Y.
St. Louis, Mo.
San Francisco, Calif.
Seattle, Wash.
Silver Spring, Md.
South Bend, Ind.
Springfield, Mass.
Springfield, Ohio
Tampa, Fla.
Tulsa, Okla.
Wakefield, Mass.
Washington, D.C.
Wayne, N.J.
West Hartford, Conn.
Woodbridge, Conn.

PRINCIPAL SALES OFFICES OUTSIDE THE U.S.

Bangkok, Thailand
Bogota, Colombia
Bombay, India
Brussels, Belgium
Buenos Aires, Argentina
Caracas, Venezuela
Catania, Italy
Copenhagen, Denmark
Guatemala City, Guatemala
Hong Kong
Johannesburg, S. Africa
Karachi, Pakistan
Kinshasa, Congo
Lima, Peru
London, England
Madrid, Spain
Managua, Nicaragua
Manila, Philippines
Melbourne, Australia
Mexico D.F., Mexico
Milan, Italy
Montevideo, Uruguay
Montreal, Canada
Munich, Germany
Rio de Janeiro, Brazil
Rome, Italy
Rotterdam, The Netherlands
San Juan, Puerto Rico
Sao Paulo, Brazil
Stockholm, Sweden
Sydney, Australia
Taipei, Taiwan
Tilbury, Canada
Tokyo, Japan
Toronto, Canada
Vancouver, Canada
Zurich, Switzerland

PLANTS IN THE U.S.

Aberdeen, Md.
Adairsville, Ga.
Albany, Ga.
Andersonville, Ga.
Azusa, Calif.
Benton, Ark.
Bound Brook, N.J.
Brewster, Fla.
Cambridge, Mass.
Charlotte, N.C.
Chattanooga, Tenn.
Cincinnati, Ohio
Cloquet, Minn.
Coosa Pines, Ala.
Damascus, Va.
Danbury, Conn.
Demopolis, Ala.
Evendale, Ohio
Farmville, N.C.
Fort Worth, Tex.
Franklin Park, Ill.
Georgetown, S.C.
Hamilton, Ohio
Hannibal, Mo.
Havre de Grace, Md.
Illiopolis, Ill.
Indianola, Miss.
Jackson, Miss.
Joliet, Ill.
Kalamazoo, Mich.
La Puente, Calif.
Latrobe, Pa.
Marietta, Ohio
Michigan City, Ind.
Mobile, Ala.
New Castle, Pa.
New Orleans (Fortier), La.
Pearl River, N.Y.
Pensacola, Fla.
Perrysburg, Ohio
Piney River, Va.
Plainview, N.Y.
Plymouth, N.C.
Princeton, N.J.
Sanford, Me.
Savannah, Ga.
South Norwalk, Conn.
Springfield, Ohio
Springhill, La.
Sunset/Whitney Ranch, Calif. (Sierra)
Tarboro, N.C.
Wallingford, Conn.
Warners, N.J.
West Springfield, Mass.
Willow Island, W.Va.
Woodbridge, N.J.

PLANTS OUTSIDE THE U.S.

Beachville, Canada
Bogota, Colombia
Brussels, Belgium
Buckingham, Canada
Buenos Aires, Argentina (2)
Bulsar, India
Caracas, Venezuela (2)
Cartagena, Colombia
Catania, Italy (2)
Gosport, England
Guadalajara, Mexico
Hsin-Chu, Taiwan
Johannesburg, S. Africa
Karachi, Pakistan
Madrid, Spain (2)
Managua, Nicaragua
Manila, Philippines
Melbourne, Australia
Mexico D.F., Mexico
Milan, Italy
Montreal, Canada
Munich, Germany
Niagara Falls, Canada
Orillia, Canada
Ponta Grossa, Brazil
Rezende, Brazil
Rio de Janeiro, Brazil
Rotterdam, The Netherlands
St. Jean, Canada
St. Joseph du Lac, Canada
Sao Paulo, Brazil
Sydney, Australia
Tilbury, Canada
Welland, Canada
Witbank, S. Africa

RESEARCH AND DEVELOPMENT LABORATORIES

Bound Brook, N.J.
Danbury, Conn.
East Paterson, N.J.
Evendale, Ohio
Niagara Falls, Canada
Pearl River, N.Y.
Pensacola, Fla.
Piney River, Va.
Princeton, N. J.
Sanford, Me.
Stamford, Conn.
Wallingford, Conn.
Geneva, Switzerland

PRINCIPAL ASSOCIATED COMPANIES

(40% to 50% owned)

Arizona Chemical Company
Cyanamid-Ketjen Katalysator N.V.
Cyanenka, S.A.
Formica International Limited
Jefferson Chemical Company, Inc.
Lederle (Japan), Ltd.
N. V. Titaandioxydefabriek Tiofine
Sherkat Sahami Cyanamid–KBC
Southern Minerals Corporation
Southern Petroleum Corporation
Southern Pipe Line Corporation
Toyo-Cyanamid, Ltd.

CYANAMID **American Cyanamid Company**
WAYNE, NEW JERSEY

TRANSFER AGENT, The Chase Manhattan Bank, N.A.

REGISTRAR, Morgan Guaranty Trust Company of New York

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WAYNE, NEW JERSEY